

Effective April 1, 2024, CDE Lightband will make a local rate adjustment increase of 4% for energy consumption.

## Reasons for Rate Action

The necessity for a local rate adjustment by CDE Lightband is driven by increased costs, adapting to local growth, and ensuring system reliability, especially during weather events.

### COSTS



#### Loss of TVA Pandemic Relief Credit

Without this aid, there will be a **\$3.2M** annual increase in costs on CDE Lightband's wholesale power bill.

#### Inflation - Increase in Cost of Goods

Over the past several years, there has been a cost increase of **over 400%** for many distribution materials.

### GROWTH



#### Additional Substations Needed Due to Growth

Clarksville was recently named the fastest growing city in Tennessee and the 22nd fastest growing city, nationally. To accommodate for this growth, 2 substations are currently being constructed at a total cost of **\$15M**. Two additional substations will be needed within next 5 years at an additional cost of **\$15M**.

### CLIMATE



#### System Resilience in a Changing Climate

Rising expenses for system reliability and resilience are attributed to the more frequent and severe impact of weather systems, leading to financial consequences.

*Examples:*

*March 3, 2023 wind storm - **\$4.5M in costs***

*December 9, 2023 tornado - **\$4.2M in costs***